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SECURITY INFORMATION

Comptroller *ref*

Finance Division

Entertainment of Personnel under Contract

29 February 1952

Contract Employees - Correspondence

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1. Attached hereto are two claims submitted by [REDACTED] in connection with the entertainment of agents under contract with CIA.
2. These claims were returned to [REDACTED], not certified by the Finance Division for the following reasons:

a. The personnel entertained by [REDACTED] are under contract with CIA at a per annum salary and receive per diem while on TDY in Washington.

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b. Meeting places are provided operational personnel at CIA expense, for the purpose of conducting covert meetings with personnel under contract.

c. The fact that covert meetings extended through the lunch or dinner hours does not alone appear to be sufficient justification for the entertainment of subject personnel.

3. Also attached is [REDACTED] request for clarification of policy and the reconsideration of his claims referred to above.

4. Although it has long been recognized that some entertainment is necessary in connection with the activities of CIA, it has also been recognized that the entertainment of employees of the Government normally is not permissible. In some instances the entertainment of personnel under contract may be justified. For instance, vouchers for such entertainment have been certified where the operations officer has certified that, (a) he did not want to bring the individual concerned to an Agency furnished meeting place for reasons of security, or (b) when Agency furnished meeting places are not available at the time the meeting took place, or (c) when he has been subjected to late working hours, thus incurring additional personal expense, which expense should be classed as operational rather than for purposes of entertainment.

5. To the best of our knowledge entertainment of personnel under contract is neither covered by existing regulations nor has it ever before been presented for a policy determination.

6. We will await your decision before further processing the attached or similar claims.

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Chief, Finance Division

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